



STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES - PROCUREMENT DIVISION

CONTRACT NOTIFICATION

*** NOT MANDATORY ***

CONTRACT NUMBER: 1-07-75-48

DESCRIPTION: PAPER, CONTINUOUS FEED
ROLL STOCK

CONTRACTOR: RAM ENTERPRISES

EFFECTIVE DATES: 9/17/2007 THROUGH 9/16/2009

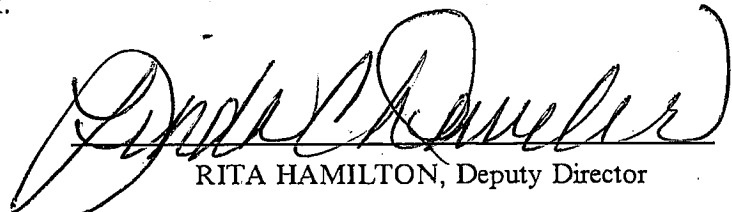
SUPERSEDES CONTRACT NO.: NONE

AREA: SACRAMENTO, CA

DISTRIBUTION: FTB

* TAX: Add appropriate sales and use tax.
Exempt from Federal Excise Tax.

*Food contracts are tax exempt.


RITA HAMILTON, Deputy Director

Use of this agreement by all agencies is not mandatory.

To obtain assistance or report non-compliance by supplier, or for any suggestions or recommendations write:

Department of General Services, Procurement Division, P.O. Box 989054, W. Sacramento, CA 95798-9054,
or call: Contract Administrator, **BRUCE FONG** 916-375-4468

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SUPPLIER ID: 394528
NAME: RAM ENTERPRISES
ADDRESS: 1600 OVERLAND DRIVE
SAN MATEO, CA 94403

CONTACT: 650-574-9017 BOB MOORHEAD
FAX NUMBER: 650-574-9019
TERMS OF PAYMENT: NET 45 DAYS
FOB: Destination
MINIMUM ORDER: AS SPECIFIED

SCOPE:

This contract covers the estimated two (2) year requirements of the State of California, Franchise Tax Board for PAPER, CONTINUOUS FEED STOCK, per State of California Bid Specification No. 7530-07BS-001 dated August 27, 2007. This contract is NON-MANDATORY for the effective period.

CONTRACT TERM:

This contract is for a two (2) year term. This contract contains options for for two (2) one (1) year contract extensions. Each contract extension is for up to 12 months. The terms, conditions, and prices for the contract extension option(s) shall be by mutual agreement between the contractor and the State. If a mutual agreement cannot be met, the the contract may be terminated at the end of the current contract term and/or contract extension(s).

EXTRAORDINARY EXTENSION OPTION:

In the event of an extraordinary circumstance, the State may extend the contract for up to an additional year beyond the stated term and any noted extensions. Extensions during this period may occur in increments until the establishment of a new contract (not to exceed 1 year). Exercise of this option may occur in the event that a replacement contract cannot be established due to the protest of an "Intent to Award", loss of key procurement staff, or any other extraordinary circumstance that would otherwise cause an unanticipated disruption in the contracting process. If necessary, prices may be increased during an extraordinary extension option period, to the extent that the price is determined to be "fair and reasonable." Requests for price increase(s) shall include substantiated information to support the proposed increase (e.g., manufacturer's price list, significant changes in published market indicators for the industry, certified raw material cost data, and any other substantiating information as requested by the State). In no event, will price increases be accepted with retroactive effective dates.

SPECIFICATION COMPLIANCE:

All products offered must conform to the attached State of California Bid Specification Number 7530-07BS-001, dated August 2007.

CONTRACTOR ORDERING INFORMATION:

The Contractor agrees to accept orders by facsimile, e-mail, or U.S. Mail.

Company Name: RAM Enterprises
Address: 1600 Overland Dr.
City, State, Zip Code: San Mateo, CA 94403

Contact Person: Bob Moorhead
Telephone Number: (650) 574-9017
Fax Number: (650) 574-9019
E-Mail Address: bob.moorhead@ramvet.com

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ORDERING PROCEDURE:

State agencies shall submit a complete Purchasing Authority Purchase Order (STD. 65) directly to the contractor. The Purchasing Authority Purchase Order shall contain the following information:

1. Agency Billing Code
2. Contract Number
3. Commodity Code
4. Line Item Number
5. Description
6. Unit Price
7. Extension Price

Note: Contractor shall not accept orders from the Franchise Tax Board without a State-issued billing code.

The Franchise Tax Board shall submit copies of all purchase orders to:

DGS Procurement Division
Attn: Data Entry Unit
PO Box 989052
West Sacramento, CA 95798-9052

MINIMUM ORDER:

The minimum order quantity shall be 40 rolls, or 20 pallets of any combination of line items. Orders for less than the minimum order shall be considered non-contract and may be purchased from other sources.

ORDER CONFIRMATION:

Within 48 hours, the contractor must confirm receipt of the purchase order either via e-mail or facsimile, providing the user a receipt acknowledging the order. The acknowledgement must include total cost and delivery date information.

DELIVERY:

Only F.O.B. Destination will be accepted. Initial delivery is to be completed in full within thirty (30) days after receipt of order (ARO). The thirty days will not be contingent on mill run scheduling. Subsequent deliveries shall be within three (3) to five (5) days after receipt of order.

Note: In accordance with paragraph 15 of the General Provisions entitled "Delivery", the contractor shall strictly adhere to the delivery terms and completion schedule as specified in this contract. Failure to comply with the delivery requirements, as stated, may be considered a breach of contract and subject the contractor to General Provisions 26, entitled "Rights and Remedies of the State for Default".

PALLETIZATION:

Pallets must be in good use condition and shall comply with the size requirements outlined in the bid specifications. Forms 903R, 930R - require a Type 2, 52" X 38" hardwood pallet designed for proper weight. Form 908R - requires a Type 2, 52" X 32" hardwood pallet designed for proper weight. Form 907 - requires a Type 2, 40" X 48" hardwood pallet designed for proper weight. Cost for pallets is included in the item price. Exchange pallets may be available; however, the State assumes no responsibility for the availability to exchange pallets.

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PACKAGING:

Each roll shall be furnished with core blocks and top and bottom headers completely wrapped. Rolls shall be strapped to the pallet. The rolls shall be secured on a pallet in an upright roll off position supported by roll chocks for safety. The pallet and rolls furnished shall be completely wrapped in waterproof shrink wrap providing adequate protection to protect the rolls during shipping and storage. All items supplied must conform to the packaging and marking requirements in the Bid Specification #7530-07BS-001 dated August 27, 2007.

LABELING:

Each roll shall be labeled on one side of the roll and on the outer surface as well. Each label shall be marked "Virgin" or "Recycled" with the date of manufacture, total number of manufactured forms per roll, roll width, roll number, FTB job number, FTB name of paper, FTB stock number and FTB order number. Lettering on the labels shall be at least 3/8" high, printed or stenciled in bold type with upper case letters. Rolls should have core tag identification for QC control. The total number of forms shall be shown on the Bill of Lading. Contractor is responsible for collection and tracking of mill required information to process mill claims for defective paper rolls.

INSPECTION:

Paper may be sampled and inspected for compliance to specifications as deemed necessary. Sampling and inspection by attributes will be in accordance with either American Society for Quality Control (ASQC) - Z1.4-93 and the Technical Association of the Paper and Pulp Industry (TAPPI), Sampling Procedures and Tables for Inspection by Attributes or equivalent.

SPECIAL PROVISIONS:

Contractor shall provide technical assistance for any paper-related issues and problems within eight working hours after phone contact with FTB. A designated contact person shall be available Monday through Friday during regular business hours to assist with paper related issues and problems. Written documentation of reported issues or problems, and corrective action taken shall be provided to FTB within eight (8) working days after resolution. Defective paper stock must be removed from FTB within 5 working days. Replacement of defective stock shall be provided to FTB at no additional cost, within 8 working days.

DISASTER:

In the event of a disaster, contractor will substitute a specified number of roll paper stock into an equal quantity of continuous box paper and ship to a location in the greater Sacramento area, which will be specified at the time of the disaster.

WARRANTY:

All products available on this contract shall be covered by the warranty provisions in the General Provisions - GSPD-401 Non-IT Commodities, revised and effective 4/12/07.

STORAGE:

Paper manufactured, but not delivered must be stored at a temperature between 65-75 degrees F, and at a relative humidity of 40% to 50%.

PRICES:

Prices shall be all inclusive. Only the prices/charges submitted in the bid response shall be accepted and included in this contract. No other fees can be charged to the customer. All bid prices shall be valid for 60 days from the bid opening date.

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PRICE ESCALATION:

All prices quoted shall be fixed as the maximum cost for a period of one (1) year from the effective date of the contract. The contractor may submit proposed escalation notice, in writing, to the Procurement Division not earlier than 330 days from the effective date of the contract. Such notice shall include substantiated information to support the proposed escalation (e.g., manufacturer notification, manufacturer price list, significant changes in published market indicators for the industry, certified raw material cost data, and any other substantiating information as requested by the State).

Upon receipt of such notice, the State reserves the right to either:

- (a) Accept the escalation as competitive with the general market price at the time, effective 30 days from written approval from the State; or
- (b) Negotiate proposed price escalation. The State will notify the contractor in writing, of its desire to negotiate. The State will have ten (10) working days to complete negotiations; or
- (c) Cancel any unpurchased balance of the contract without prejudice, effective upon written notice by the State.

If negotiations fail to produce an agreement, the State reserves the right to exercise Options A or C with an effective date no later than ten (10) working days after successful negotiation. No price increase shall apply to quantities ordered from the contract prior to the effective date of the price increase. Accepted escalation price increase shall be a maximum for a period of one (1) year from the effective date of the price increase.

PRICE DECLINES:

The contractor shall immediately notify the Contract Administrator of all manufacturers' price declines and the State shall receive full benefit of such declines, effective on the date of the manufacturer's general public announcement.

SALES TAX:

Sales tax should be added at time of invoicing. The sales tax rate applied should be based on the rate of the area where the product is to be delivered.

QUANTITIES:

The quantities used in the solicitation are the estimated two-year requirements and are based on historical data. These quantities are for bid evaluation purposes only and do not represent any guarantee of participation, purchase pattern, or rate of consumption. The State will not be obligated to purchase contractor's excess inventory if actual purchases vary from the anticipated purchase pattern. The State reserves the right to order more or less of any line item in this contract.

The State's obligation to pay is solely from funds appropriated for the acquisition of the products on this contract. If funds are not appropriated for future fiscal years, the contract dollar amount will be reduced accordingly. Receipt of a Purchasing Authority Purchase Order or local agency purchase order under the contract is proof of availability of funds for that order.

TECHNICAL ASSISTANCE:

When requested, the contractor shall furnish qualified personnel to assist in solving any problems which may result from the use of this material, at no extra cost to the State.

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INVOICING REQUIREMENTS:

Contractor shall render invoices as instructed on individual orders. Invoices must use the contractor's invoice that includes at a minimum:

1. Contractor's name, address, and telephone number
2. State's contract number
3. Agency purchase order number
4. Item and commodity code number
5. Quantity purchased
6. Contract price and extension
7. State sales and/or use tax
8. Prompt payment discounts/cash discounts, if applicable
9. Totals for each order

The State's obligation to make payment pursuant to the contract is subject to availability of appropriation funds. Receipt of a Purchasing Authority Purchase Order under this contract is proof of funds for that order.

CONTRACTOR RESPONSIBILITY:

1. Contractor shall perform all deliveries to facilities in a safe and professional manner. Contractor's equipment shall be in good working order and all personnel shall be trained in safety measures to preclude accidents endangering personnel or property.
2. Contractor must commit to delivery as requested, at time stated on accepted orders, through the term of the contract.
3. Contractor shall provide office and personnel resources for responding to requests, including telephone coverage weekdays during the hours of 8:00 AM through 5:00 PM (PST).

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CONTRACT USAGE REPORTING:

The contractor shall provide a quarterly detailed usage report by line item and commodity code to the Contract Manager in Excel format via e-mail or U.S. Mail on a CD. Contract usage reports shall be submitted quarterly, and are due within 2 (two) weeks after the end of March, June, September, and December of each calendar year. The contractor must report the sales activity for all resellers listed in their contract. Any report that does not follow the required format, or that excludes any required information will be deemed incomplete and returned to the contractor. Contract usage reports shall contain the following elements:

1. Calendar quarter number and year
2. Contract number
3. Contractor
4. Contractor contact information
5. Agency name
6. Purchasing Authority Purchase Order number
7. Purchasing Authority Purchase Order date
8. Agency Bill Code
9. Commodity code number
10. Quantity
11. Contract price
12. Extension total
13. Agency contact name
14. Agency address
15. Agency telephone number
16. Total \$ for quarter

The total dollars for the quarter should be the sum of the total dollars per purchase order for all purchase orders. It is not the sum of monies invoiced or payment received. Tax must not be included on the quarterly report, even if included on the purchase order. The purchase order total value should only be reported once in the quarter identified by the purchase order date regardless of when the services were performed, products delivered, purchase orders invoiced, or payments received.

REPORTING COMPLIANCE:

Contractor shall comply with the reporting requirements as specified. Failure to submit completed quarterly reports within the time period required may be considered a breach of contract and subject the contractor to General Provisions 26, "Rights and Remedies of State for Default".

SELLER'S PERMIT:

Contractor's Retailer's Seller's Permit Number: 97-916303

SMALL BUSINESS AND DVBE CERTIFICATION:

RAM Enterprises' California Small Business and DVBE certification number is 0041365.

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ITEM NO.	COMMODITY NO. SUPPLIER PART NO.	SUPPLIER NO.	UNIT	DESCRIPTION	UNIT PRICE
1	7530-300-1020-8	394528	RL	PAPER ROLL MOCR/WHT (20LBS-CONTINUOUS FEED)	640.9500
				Description: FTB 903R, Per Bid Specification #7530-07BS-001, August 27, 2007	
				Paper Diameter: 50"	
				Paper Width: 18" +/- 1/16"	
				Paper Type: 20# MOCR, White	
				Core Diameter: 6" +/- 1/16", -0	
				Brand/Mill: Domtar	
				Converter: Enterprise Grp.	
2	7530-002-0406-9	394528	CS	PAPER CONTINUOUS COMPUTER 1 PART 14-7/8" X 11" BASIS 20 1/2" GREEN TINT BAR (RECYCLED)	28.1800
				Description: FTB 907, Per Bid Specification #7530-07BS-001, August 27, 2007	
				Paper Type: 20# Recycled Bond, Green Bar	
				Paper Size: 12" X 8.5"	
				Brand/Mill: Domtar	
				Converter: Enterprise Grp.	

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ITEM NO.	COMMODITY NO. SUPPLIER PART NO.	SUPPLIER NO.	UNIT	DESCRIPTION	UNIT PRICE
3	7530-300-1019-1	394528	RL	PAPER ROLL REC GRN BAR (20LB CONTINUOUS) RECYCLED Description: FTB 908R, Per Bid Specification #7530-07BS-001, August 27, 2007 Paper Diameter: 50" Paper Width: 14-7/8" +/- 1/16" Paper Type: 20# Recycled Bond, Green Bar Core Diameter: 6"+/- 1/16", -0 Brand/Mill: Domtar Converter: Enterprise Grp.	620.0400
4	7530-300-1020-8	394528	RL	PAPER ROLL MOCR/WHT (20LBS-CONTINUOUS FEED) Description: FTB 930R, Per Bid Specification #1077548, August 2007 Paper Diameter: 50" Paper Width: 18" +/- 1/16" Paper Type: 20# MOCR, White Core Diameter: 6"+/- 1/16", -0 Brand/Mill: Domtar Converter: Enterprise Grp.	670.1400
5	7530-909-0001-0	394528	VA	OFFICE-DGS/PROCUREMENT USE ONLY	VARIABLE



STATE OF CALIFORNIA
BID SPECIFICATION
CONTINUOUS FEED STOCK

7530-07BS-001

1. SCOPE

This document describes and establishes requirements and specifications for roll stock to be used by State of California, Franchise Tax Board on High speed continuous web fed digital printers and High speed inserting equipment

2. APPLICABLE SPECIFICATIONS / STANDARDS / CODES

Specifications and standards referenced in this document in effect on the opening of the Invitation for Bid, form a part of this specification.

3. REQUIREMENTS

PAPER CHARACTERISTICS

- 3.1 Paper used in the manufacturing of these rolls shall be 20LB Magnetic Optically Clear Reader (MOCR) laser grade, 100% free sheet with no ground wood content. Offset grades are not acceptable.
- 3.2 Stock shall be certified to meet specifications for high speed continuous fed OCE' 7400 Vario Stream printers. OCE' 372 Page Stream and shall perform in production operations which include the utilization of high-speed Bowe Bell & Howell Imperial 10,000 inserter, Mailstar 775 inserters and BH4000 inserters mail processing equipment.
- 3.3 Supplied stock shall not require unusual adjustment to the machines (printers and mailroom inserter machines), nor shall it require additional in-feed/tension or any other control equipment to be added to the machines for production.
- 3.4 All paper stock shall be made from $\geq 80\%$ chemical; wood pulp.
- 3.5 Where specified by the invitation for bid line item description recycled paper products provided under this specification shall include minimum 30% Post Consumer Waste material and shall be free from contaminants.
- 3.6 All paper stock shall be free from defects of foreign material, tears, breaks, creases, pinholes, wrinkles, and other defects, which degrade appearance, performance that will affect its appearance and/or serviceability.
- 3.7 Surface of supplied paper stock shall be free from dust, lint, fuzz, chads, glue on roll sides, paper cut, etc. or particles, which will pick, lift, fluff, or pile in the machines under normal operational conditions.
- 3.8 Tension in winding rolls shall be uniformly light to prevent wrinkles and preserve natural creeping characteristics of the paper. No dished rolls. No Welts.
- 3.9 Stock supplied shall be from even distribution of roll positions from reel. Maximum of 2 end cuts per reel.

PAPER DESCRIPTION

- 3.10 Line 1: 903R – White MOCR bond Roll stock, Right and Left pin-feed holes. No marginal perforations. Horizontal perforations every 11".
- 3.11 Line 2: 907 – Continuous Fan-Folded Box paper at 8½" White recycled bond stock with ½" green bar, Right and Left pin-feed holes. No marginal perforations. Horizontal perforations every 8½".
- 3.12 Line 3: 908R – White bond roll stock with ½" green bar, Right and Left pin-feed holes. No marginal perforations. Horizontal perforations every 11".

- 3.13 Line 4: 930R – White MOCR bond Roll stock, Right and Left pin-feed holes. No marginal perforations. Horizontal perforations every 11" and extra horizontal perforations 3¼" from top.

PAPER REQUIREMENTS

- 3.14 Paper requirements for Line 1, 2, 3 and 4 are outlined in Table 1 on page 3.

LINE 1 – ADDITIONAL REQUIREMENTS FOR 903R

- 3.15 Packaging: Two (2) rolls shall be shrink wrapped individually, chocked, then banded and plastic wrapped per pallet for shipping and storage.
- 3.16 Roll Breaks: Shall not be more than one (1) break per ten (10) rolls & shall be marked clearly.
- 3.17 **Printed roll stock shall be rewind with top of the printed form feeds first into the printer.**
- 3.18 Rolls shall be shipped using type 2 hardwood 52"x38" pallet designed for proper weight.

LINE 2 – ADDITIONAL REQUIREMENTS FOR 907

- 3.19 Packaging: 3,600 forms per box. Shall not be more than one break per box and shall be clearly marked and tagged.
- 3.20 Green bar shall be printed on front of the sheet.
- 3.21 **Top of the printed continuous feed form shall be fed first into the printer.**
- 3.22 Boxes shall be on a type 2 hardwood 40"x48" pallet.

LINE 3 – ADDITIONAL REQUIREMENTS FOR 908R

- 3.23 Packaging: Two (2) rolls shall be shrink wrapped individually, chocked, then banded and plastic wrapped per pallet for shipping and storage.
- 3.24 Green bar shall be printed on front of the sheet (underneath roll).
- 3.25 **Printed roll stock shall be rewind with top of the printed form feeds first into the printer.**
- 3.26 Roll Breaks: Shall not be more than one (1) break per ten (10) rolls and shall be marked clearly.
- 3.27 Rolls shall be shipped using type 2 hardwood 52"x32" pallet designed for proper weight.

LINE 4 – ADDITIONAL REQUIREMENTS FOR 930R

- 3.28 Packaging: Two (2) rolls shall be shrink wrapped individually, chocked, then banded and plastic wrapped per pallet for shipping and storage.
- 3.29 Roll Breaks: Shall not be more than one (1) break per ten (10) rolls and shall be marked clearly.
- 3.30 **Printed roll stock shall be rewind with top of the printed form feeds first into the printer.**
- 3.31 Rolls shall be shipped using type 2 hardwood 52"x38" pallet designed for proper weight.



**STATE OF CALIFORNIA
BID SPECIFICATION
CONTINUOUS FEED STOCK**

7530-07BS-001

TABLE 1

SPECIFICATION	LINE 1 (903R-ROLL)	LINE 2 (907-Box)	LINE 3 (908R-ROLL)	LINE 4 (930R-ROLL)	TAPPI
(17"x22"-500) BASIC WEIGHT	20 Lb MOCR Bond	20 Lb Bond	20 Lb Bond	20 Lb MOCR Bond	T410
ROLL WIDTH SIZE (INCHES)	18 ± ¹ / ₁₆	12 x 8½ (1-up)	14 ⁷ / ₈ ± ¹ / ₁₆	18 ± ¹ / ₁₆	
PIN-FEED HOLES TABS (NO MARGINAL PERFORATIONS.)	½" Right, ½" Left	½" Right, ½" Left	½" Right, ½" Left	½" Right, ½" Left	
COLOR	White	White with ½" green bar	White with ½" green bar	White	T524
CORE SIZE (INCHES)	6 + ¹ / ₁₆ , -0	N/A	6 + ¹ / ₁₆ , -0	6 + ¹ / ₁₆ , -0	
POST CONSUMER RECYCLED (%)	N/A	≥30	≥30	N/A	
ROLL DIAMETER SIZE (INCHES)	≈50	N/A	≈50	≈50	
OPACITY (%)	≥88	≥88	≥88	≥88	T519
ROLL WEIGHT (LBS)	≥975 ≤1100	N/A	≥800 ≤860	≥975 ≤1100	
BRIGHTNESS (%)	92	92	92	92	T525
POROSITY (GURLEY / SEC)	≥20	≥20	≥20	≥20	T460
STIFFNESS GRAIN DIRECTION (GURLEY UNITS)	≥175 ≤225	≥175 ≤225	≥175 ≤225	≥175 ≤225	T543
STIFFNESS CROSS DIRECTION (GURLEY UNITS)	≥80 ≤125	≥80 ≤125	≥80 ≤125	≥80 ≤125	T543
MOISTURE CONTENT (% BY WEIGHT)	≥4 ≤6	≥4 ≤6	≥4 ≤6	≥4 ≤6	T412
FORM SMOOTHNESS (SHEFFIELD)	≥140 ≤160 units	≥140 ≤160 units	≥140 ≤160 units	≥140 ≤160 units	T538
PERFORATIONS	<ul style="list-style-type: none">• ≥10 ≤14 Lb in²• .032-.047 Tie Length• ≥10 cuts / in• No marginal perfs.• Horizontal every 11" with ¹/₁₆" tied ends	<ul style="list-style-type: none">• ≥6 ≤9 Lb in²• .032-.047 Tie Length• ≥8 cuts / in• No marginal perfs.• Horizontal every 8½" with ¹/₁₆" tied ends	<ul style="list-style-type: none">• ≥10 ≤14 Lb in²• .032-.047 Tie Length• ≥10 cuts / in• No marginal perfs.• Horizontal every 11" with ¹/₁₆" tied ends	<ul style="list-style-type: none">• ≥10 ≤14 Lb in²• .032-.047 Tie Length• ≥10 cuts / in• No marginal perfs.• Horizontal every 11" with ¹/₁₆" tied ends• 3¼" from top	